

MAR 31 1952

EARL COE
SECRETARY OF STATE

Olympia, Washington,
March 28, 1952

Received from the Washington State
Liquor Control Board for filing:

The following amendments to the regulations which were adopted by the Washington State Liquor Control Board on March 25, 1952, to become effective at 12:01 a.m. April 1, 1952:

Regulation (28) Revenue Stamps—Discontinuance, being a portion of TITLE III.—RETAIL LICENSEES;

Regulation (37) Brewers—Monthly Reports; Regulation (39) Packages—Classification; Regulation (40) Beer Stamps—General; Regulation (42) Beer Stamps—Proper Affixation; Regulation (44) Beer Wholesalers—Records—Preservation; Regulation (45) Beer Wholesalers and Importers—Reports—Stamps; Regulation (47) Sales to Vessels; and Regulation (49) Beer Price Posting—Filing Contracts; being portions of TITLE III.—BREWERS, BEER WHOLESALERS, BEER IMPORTERS AND HOLDERS OF CERTIFICATE OF APPROVAL; and

Regulation (61) Premises—Domestic Wine Defined; Regulation (75) Domestic Wine Records—Preservation; and Regulation (81) Wine Price Posting; being portions of TITLE IV.—DOMESTIC WINERIES AND DOMESTIC WINE WHOLESALERS; and

Regulation (126) Advertising on Retail Licensed Premises, being a portion of TITLE XII.—ADVERTISING.

Also: The repeal of Regulation (41) Out of State Revenue Stamps in Lieu of "Beer in Transit" Stamps, being a portion of TITLE III.—BREWERS, BEER WHOLESALERS, BEER IMPORTERS AND HOLDERS OF CERTIFICATE OF APPROVAL, such repeal having been adopted by the Board on March 25, 1952, to become effective at 12:01 a.m. April 1, 1952.

EARL COE,
Secretary of State

By Raymond Roman
ASSISTANT SECRETARY OF STATE

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2874

DEFENDANT'S EXHIBIT	
CASE NO.	C04-0360P
EXHIBIT NO.	439

TX439-001

C E R T I F I C A T I O N

To the Honorable Earl Coe
Secretary of State
State of Washington
Olympia

THIS IS TO CERTIFY that the within Rules and Regulations were adopted by the Washington State Liquor Control Board on the 25th day of March, 1952, to become effective at 12:01 a.m. on April 1, 1952, namely:

Regulation (28) Revenue Stamps--Defacement, being a portion of TITLE II.--RETAIL LICENSEES; and

Regulation (37) Brewers--Monthly Reports; Regulation (39) Packages--Classification; Regulation (40) Beer Stamps--General; Regulation (42) Beer Stamps--Proper Affixation; Regulation (44) Beer Wholesalers--Records--Preservation; Regulation (45) Beer Wholesalers and Importers--Reports--Stamps; Regulation (47) Sales to Vessels; and Regulation (49) Beer Price Posting--Filing Contracts; being portions of TITLE III.--BREWERS, BEER WHOLESALERS, BEER IMPORTERS AND HOLDERS OF CERTIFICATE OF APPROVAL; and

Regulation (61) Premises--Domestic Wine Defined; Regulation (75) Domestic Wine Records--Preservation; and Regulation (81) Wine Price Posting; being portions of TITLE IV.--DOMESTIC WINERIES AND DOMESTIC WINE WHOLESALERS; and

Regulation (126) Advertising on Retail Licensed Premises, being a portion of TITLE XII.--ADVERTISING.

THIS IS TO CERTIFY that Regulation (41) Out of State Revenue Stamps in Lieu of "Beer in Transit" Stamps, being a portion of TITLE III.--BREWERS, BEER WHOLESALERS, BEER IMPORTERS AND HOLDERS OF CERTIFICATE OF APPROVAL, was repealed by the Washington State Liquor Control Board on the 25th day of March, 1952, such repeal to become effective at 12:01 a.m. April 1, 1952.

IN WITNESS WHEREOF, the Washington State Liquor Control Board has caused its name to be hereto subscribed and its seal affixed, this 25th day of March, 1952.

WASHINGTON STATE LIQUOR CONTROL BOARD

By B. H. Callison

B. H. CALLISON, BOARD MEMBER

ATTEST:

M. MacMillan
M. MacMILLAN, SECRETARY

TX439-002

WASHINGTON STATE LIQUOR CONTROL BOARD

Olympia

The following regulations were adopted, or repealed, by the Washington State Liquor Control Board this 25th day of March, 1952, to become effective at 12:01 a.m. April 1, 1952.

The following amendment to Regulation (28) was adopted:

TITLE II.--RETAIL LICENSEES

(28) Revenue Stamps--Defacement

(a) No retail licensee shall sell, remove, receive, purchase, possess or aid in the sale, removal, receipt, or purchase of beer manufactured outside the State of Washington, or wine contained in any barrel, package or other container unless the proper revenue stamp has been properly affixed thereon, or upon which a false or fraudulent stamp is affixed, or upon which a stamp once cancelled is used a second time.

(b) No retail licensee shall withdraw or aid in the withdrawal of beer from any barrel, package, or other vessel, without defacing the stamp affixed thereto. In tapping every keg or barrel of draught beer, the faucet or tapping device through which the beer is to be drawn shall be inserted through the beer revenue stamp in such a manner as to deface the same; or, if the beer is to be drawn through the spigot hole or bung hole in the side of the keg or barrel, a faucet shall also be inserted through the stamp affixed at the head of the keg or barrel, or the stamp shall be defaced by cutting away the part thereof only which covers the spigot hole or tapping bushing at the head of the keg or barrel.

the amount on hand at the end of such month. Such report shall also show the disposition made during such month of any "beer revenue" stamps and the number, type, size and disposition of the packages or containers to which the same were affixed.

(47) Sales to Vessels

Taxpaid beer may be sold direct by beer wholesalers to:

- (1) Vessels engaged in foreign commerce and operating on regular schedules.
- (2) Vessels engaged in interstate commerce and operating on regular schedules.
- (3) Vessels commonly known as "trumps," engaged in interstate and/or foreign commerce but not operating on regular schedules and taking cargo when and where it offers and to any port.

Beer may not be sold direct by beer wholesalers to any other class of boat or vessel unless the boat or vessel is in possession of a proper retail license.

(49) Beer Price Posting--Filing Contracts

(a) Price Posting. Within the meaning of this regulation, the term "zone" shall mean such "zones" as shall from time to time be fixed and adopted by the board as trade areas within and for which price postings shall be made and filed as in this regulation provided.

Every licensed brewer and every beer importer shall file with the board at its office in Olympia price postings showing the wholesale prices at which any and all brands of beer manufactured by such brewer or imported by such beer importer shall be sold in each and every zone, which prices shall be uniform for all retail licensees in any particular zone. All price postings shall be made upon forms prepared and furnished by the board and shall set forth:

- (1) All brands, types, packages and containers of beer offered for sale by such brewer or beer importer.
- (2) The delivered sale prices thereof to retail licensees within each and every zone, including allowances, if any, for returned empty containers.

No beer wholesaler shall sell or offer to sell any package or container of

beer to any retail licensee at a price differing from the price for such package or container as shown in the price posting filed by the brewer manufacturing such beer or by the beer importer importing such beer and then in effect.

No price posting shall become effective until ten days after the actual filing thereof with the board. In the event a price posting is filed before a previous one has become effective, the subsequent filing shall nullify said previous price posting.

No price postings involving quantity discounts shall be made.

(b) **Filing Contracts.** Every licensed brewer shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such brewer may have with any beer wholesaler handling beer manufactured by such licensed brewer, which contracts or memorandums shall contain all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified, the changed or modified contracts or memorandums shall forthwith be filed with the board.

Every beer importer shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such importer may have with any out-of-state brewery whose beer such importer imports and with any beer wholesaler handling beer imported by such importer, which contracts or memorandums shall contain all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified, the changed or modified contracts or memorandums shall forthwith be filed with the board.

No licensed brewer shall sell beer manufactured by such brewer to any beer wholesaler until copies of such written contracts or memorandums of such oral agreements with such wholesaler are on file with the board.

No beer importer shall sell any beer imported by such importer to any person whatsoever until copies of such written contracts or memorandums of such

oral agreements with the out-of-state brewer manufacturing such beer are on file with the board; nor shall any beer importer sell any beer imported by such importer to any beer wholesaler until copies of such written contracts or memorandums of such oral agreements with such beer wholesaler are on file with the board.

(c) All price postings, contracts and memorandums filed as required by this regulation shall at all times be open to inspection to all trade buyers within the State of Washington and shall not within any sense be considered confidential.

(d) Any provision of this regulation may by order of the board be suspended or modified without notice to meet emergencies.

The following amendments to Regulations (61), (75) and (81) were adopted:

TITLE IV.--DOMESTIC WINERIES AND DOMESTIC WINE
WHOLESALEERS

(61) Premises--Domestic Wine Defined

(a) No product shall be sold as domestic wine unless every part and portion of the manufacture or production thereof was had or done on and within an approved bonded winery premises within the State of Washington established under Federal law and/or regulations: Provided, however, That nothing herein contained shall prevent the sale of domestic wines fortified on such premises in accordance with Federal and state law and/or regulations with fruit brandy or wine spirits.

(b) The term "domestic wine" shall mean wine which is the product of the normal alcoholic fermentation of clean, sound, whole, ripe and commercially saleable fruits, free from any visible spray residue, which fruits may be either fresh or frozen and must have been grown exclusively and entirely within the State of Washington. Such wine may also be manufactured or produced from fruit products consisting of juices and/or concentrates derived from fruits as herein specified, and such juices and/or concentrates shall have been manufactured and produced wholly and entirely on and within an approved and bonded winery premises in the State of Washington, as herein provided.

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(75) Domestic Wine Records--Preservation

(a) Every domestic winery and domestic wine wholesaler shall keep domestic wine accounts separate from other accounts, and keep a perpetual inventory by brand and type of wine, such inventory to be reconciled with a physical inventory at the end of each month, and maintain proper records in a form approved by the board showing all transactions in domestic wine.

(b) Every domestic winery and domestic wine wholesaler shall, in the case of sales of domestic wine within the state keep and preserve all invoices, bills of lading, sales slips, and other evidence of sale, in the office of the domestic winery or domestic wine wholesaler for at least two years after each sale.

(c) Every domestic winery and domestic wine wholesaler shall, in the case of domestic wine exported from the state, keep and preserve all bills of lading and other evidence of shipment in the office of the domestic winery or domestic wine wholesaler for at least two years after each shipment.

(d) In the case of sales, transfers or shipments of domestic wine between a domestic winery and a domestic wine wholesaler, or between two domestic wineries, or between two domestic wine wholesalers, both the shipping and receiving domestic winery and domestic wine wholesaler, as the case may be, shall keep and preserve all invoices, bills of lading, sales slips, and other evidence of sale, transfer or shipment in their respective offices for at least two years after each sale, transfer or shipment.

(81) Wine Price Posting

Every domestic winery shall file with the board at its office in Olympia a "wine price posting" showing the delivered prices at which any and all brands of wine offered for sale by such domestic winery shall be sold within the state, which prices shall be uniform for all retailers within the state. All price postings shall be made upon forms prescribed and furnished by the board and shall set forth:

(a) All brands, types and sizes of bottles or glass containers of wine offered for sale by such domestic winery, which bottles or glass containers shall be limited to the sizes permitted in Regulation (66).

(b) The delivered sale prices thereof within the state, including allowances, if any, for returned empty bottles or glass containers.

No domestic winery nor domestic wine wholesaler shall sell or offer for sale any bottle or glass container of domestic wine at a price differing from the price for such bottle or glass container of domestic wine as shown in the price posting then in effect filed by the domestic winery whose label appears on such bottle or glass container.

No price posting shall become effective until ten days after the actual filing thereof with the board. In the event a price posting is filed before a previous one has become effective, the subsequent filing shall nullify said previous price posting.

No price posting involving quantity discounts shall be made.

All price postings filed as required by this regulation shall at all times be open to inspection to all trade buyers within the State of Washington and shall not in any sense be considered confidential.

Any provision of this regulation may by order of the board be suspended or modified without notice to meet emergencies.

The following amendment to Regulation (126) was adopted:

TITLE XII.--ADVERTISING

(126) Advertising on Retail Licensed Premises

(a) "Signs," as used in this regulation, shall include all signs advertising liquor, whether neon signs or signs illuminated by any other method, placards, display cards, decalcomanias, or other advertising media of similar character.

(b) No signs or other matter advertising liquor or any brands thereof, shall